

EXHIBIT C
(TO FOREST CITY'S MOTION FOR SANCTIONS
PURSUANT TO FED. R. CIV. P. 11)

FORESTCITY
An Equal Opportunity Employer
7351 E. 29th Avenue
Denver, CO 80238
www.forestcity.net

July 3, 2014

Mr. Gerald Wendel
2877 Paradise Rd., Unit 2904
Las Vegas, NV 89109

Mr. Barry Lang
10380 Wilshire Blvd., Unit 1103
Los Angeles, CA 90024

RE: Forest City NM, LLC's Request for Mediation

Gentlemen:

Pursuant to the Operating Agreement of FC Covington Manager, LLC ("Operating Agreement"), Section 14.8, Forest City NM, LLC ("FCNM") hereby gives notice to you, as the representatives of Covington NM, LLC ("Covington"), of FCNM's request for mediation as prescribed at Section 14.8 of the Operating Agreement. In support hereof, FCNM provides the following written summary of matters in dispute which are the subject of this request.

Matter No. 1. FCNM identified a dispute constituting a Deadlock under the Operating Agreement and notified Covington of that dispute and Deadlock by letter dated April 15, 2014. Thereafter, FCNM attempted to resolve the Deadlock via mediation as required by the Operating Agreement. When mediation did not resolve the Deadlock, and in accord with Section 14.10 of the Operating Agreement, FCNM issued a Buy/Sell Offer by letter dated May 5, 2014.

Thereafter, by letter dated June 11, 2014, FCNM further notified Covington that, because Covington did not accept the Buy/Sell Offer before the deadline established in the Operating Agreement, Covington was thereafter deemed (under the Operating Agreement) to have elected to sell its interest to FCNM on the

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terms prescribed in the original Buy/Sell Offer. By the letter dated June 11, FCNM also notified Covington of a Closing date of June 27, 2014, as authorized by the Operating Agreement, and requested Covington's proposed form of Assignment of membership interest (as "Selling Member") and wire instructions sufficient to accomplish closing. FCNM has never received a form of Assignment, wire instructions, or any other necessary elements for consummation of the closing; and Covington has failed to otherwise perform or participate in closing on June 27, 2014 as required by the Operating Agreement. FCNM contends that these undisputed facts establish Covington's failure and default of the performance required by Section 14.10 of the Operating Agreement; and FCNM seeks resolution of this matter by mediation in accord with Section 14.8 of the Operating Agreement.

Matter No. 2. As described and summarized in the June 27 letter from Hubert A. Farbes, Jr. of Brownstein Hyatt Farber Schreck to W. Spencer Reid of Keleher & McCleod, P.A., Covington has violated the express terms of the Operating Agreement by delivery of a Notice and Demand for Arbitration, dated June 17, 2014, which purports to invoke arbitration respecting the Deadlock and Buy/Sell process commenced by FCNM under the Operating Agreement. This Notice and Demand for Arbitration, respecting Deadlock and the Buy/Sell process, was served without the agreement or consent of FCNM, and constitutes a bad faith breach of contract and/or malicious abuse of process, as prescribed by New Mexico law, respecting the plain language and intent of the Operating Agreement – that only the Buy/Sell process, and not arbitration, is available to resolve a Deadlock between the Members [unless both Members consent]. This matter constitutes an additional dispute presented for mediation in accord with Section 14.8 of the Operating Agreement.

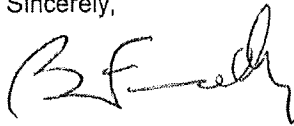
FCNM, as the aggrieved party respecting these matters in dispute, hereby calls upon Covington to meet (telephonically) and attempt to resolve the disputed matters as prescribed in the Operating Agreement. FCNM further provides notice that, if the parties are unable to reach an acceptable solution of these matters within ten (10) business days from delivery of this request, FCNM shall invoke arbitration pursuant to Section 14.9 of the Operating Agreement and seek all remedies at law or in equity (including specific

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performance) to enforce the provisions of the Operating Agreement and to recover appropriate monetary damages for bad faith breach of contract and/or malicious abuse of process under New Mexico law.

Please contact the undersigned representative of FCNM to arrange appropriate telephonic meetings to discuss and to attempt to resolve the matters prescribed herein.

Sincerely,

A handwritten signature in black ink, appearing to read "B Fennelly", with a stylized flourish at the end.

Brian Fennelly
As Authorized Signatory for Forest City NM, LLC

cc: Mr. Gerald Wendel (via email and at personal address)
Mr. Barry Lang (via email and at personal address)
W. Spencer Reid, Esq., via email
John S. Lehigh, via email
Jim Prohaska, via email
Mark Gerteis, via email
Jeff Sabatine, Esq., via email